

STAFF PAPER

Insurance working group

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Insurance contracts**Reporting back on the disclosure decisions so far**

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This paper has been prepared by the staff of the IFRS Foundation for discussion at a public meeting of the Insurance working group. The views expressed in this paper reflect the individual views of the author[s] and not those of the IASB or the IFRS Foundation. Comments on the application of IFRSs do not purport to set out acceptable or unacceptable application of IFRSs. The IASB reports its decisions made in public meetings in *IASB Update*.

Introduction

1. This paper provides:
 - (a) A feedback statement on the Board's tentative decisions to date on disclosure, including an outline of significant matters raised with us and how we responded.
 - (b) A working draft of how we propose to implement those tentative decisions. This draft has been prepared by IASB staff and has not been reviewed by the Board. Official pronouncements of the IASB are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.
 - (c) Examples illustrating some of the main disclosure proposals.

Next steps

2. In future meetings we plan to discuss:
 - (a) Disclosure of the reconciliation from the opening to the closing balance of insurance contract assets and insurance contract liabilities.
 - (b) Whether to add additional disclosures that have been suggested by respondents to the exposure draft. Most of the additional disclosures

depend on the Board's decision relating to the presentation of items resulting from insurance contracts in the financial statements.

Question for working group members

Do you have any comments on the Board's tentative decisions or the proposed drafting?

Feedback on the disclosures

Introduction

The IASB's exposure draft proposed objectives-based disclosure requirements to help users of financial statements understand the amount, timing and uncertainty of cash flows arising from insurance contracts. It proposed a disclosure objective that would require an insurer to explain:

- The amounts recognised in the financial statements arising from insurance contracts
- The nature and extent of risks arising from those contracts.

This approach is intended to provide insurers with the flexibility to disclose information about their business in an appropriate way, while ensuring that key information is provided.

Most supported both the objectives-based approach to disclosures and the specific disclosures proposed in the ED, although some suggested modifying some of the proposed disclosures.

Some are concerned that such an approach may not maximise comparability of format and content. However, in the Board's view, the benefits of an objectives-based approach outweigh the disadvantages and we address some of those concerns by including specific disclosures where necessary consistent with the approach the IASB used in other projects, including revenue recognition, leases and post-employment benefits.

In the pages that follow we outline the more significant matters raised with us and how we responded.

Disaggregation of disclosures

Proposal in the ED

Paragraph 81 of the ED stated that the insurer shall aggregate or disaggregate information so that information that is useful is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have different characteristics.

Paragraph 83 of the ED proposed that the disclosures shall not aggregate information relating to different reportable segments, as defined in IFRS 8 *Operating Segments*.

Respondents' comments

Most of the respondents expressed concerns regarding the requirement to disaggregate all disclosures at a minimum on segment level. They also stated that paragraph 83 may be inconsistent with the principle in paragraph 81 and that IFRSs do not require this level of disaggregation.

Our response

We agree with respondents that the principle regarding the aggregation level of information as described in paragraph 81 is sufficient and that it is consistent with other projects, such as Revenue Recognition and Leases.

We decided not to retain the proposed requirement of paragraph 83 as a general principle. We will consider in a future meeting whether to require further disaggregation for specific requirements – for example in the reconciliation from the opening to the closing balance of insurance contract assets and insurance contract liabilities.

Measurement uncertainty analysis

Proposal in the ED

The ED proposed a measurement uncertainty analysis of the inputs that have a material effect on the measurement.

Respondents' comments

Many respondents raised concern in the context of the measurement uncertainty analysis:

- Compiling the information and correlation would require the creation of a burdensome process to run models under different scenarios
- The benefits of providing this analysis are not justified given the overlap with the requirements to disclose the sensitivity to insurance risk.

Our response

We noted that the feedback received on the measurement uncertainty analysis was generally consistent with the comments received on a similar requirement for unobservable inputs in the fair value measurement project. In that project, the boards did not require a measurement uncertainty analysis disclosure because of concerns about costs relative to benefits.

However, the boards asked the staff to assess after issuing IFRS 13 *Fair Value Measurement* whether a quantitative measurement uncertainty analysis disclosure would be practical, with the aim of concluding at a later date whether to require such a disclosure.

We think there should be similar requirements for disclosure about measurement uncertainty in the insurance contracts standard as in IFRS 13. Therefore, we deleted the uncertainty analysis proposed in the ED, with the intention of aligning this disclosure (in due course) with that for fair value measurement.

We think that some information on the uncertainty of the inputs is provided by the disclosures of the methods and inputs used to estimate the discount rate and the risk adjustment, and the sensitivity analysis on insurance risk.

Yield curve disclosure

Proposal in the ED

The ED proposed that the insurer should disclose the methods used to estimate discount rates and the processes for estimating the inputs to those methods. Where practicable, this would include quantitative information about those inputs.

Respondents' comments

Some users raised concerns about the wide discretion regarding the calculation of the illiquidity premium and application in practice. They indicated that there was a need to include a comprehensive disclosure requirement for the calculation of illiquidity premium.

Our response

We think that the proposed disclosure principles would provide users with useful information about the methods used and the processes for estimating the discount rate.

However, the boards did not prescribe a single method to determine the discount rate for cash flows that do not depend on the performance of specific assets. As a result, different methods may be used to determine discount rates and these can result in different yield curves, both within a single insurer and between insurers. Therefore, we decided to require disclosure of the yield curve (or range of yield curves) used. This disclosure would help provide comparison between different insurers. It would also provide information about how the insurer extends the yield curve beyond observable durations.

For contracts in which the cash flows depend on the performance of specified assets (participating contracts), we believe there would be little benefit in comparing yield curves used by different insurers, because different portfolios may have different asset characteristics and thus different discount rates would be appropriate to reflect the different characteristics of the liabilities depending on those portfolios.

Liquidity risk and maturity analysis

Proposal in the ED

The ED proposed that the insurer should disclose a maturity analysis that shows the remaining contractual maturities or information about the estimated timing of the net cash outflows resulting from recognised insurance liabilities. This may take the form of an analysis, by estimated timing, of the amounts recognised in the statement of financial position. In addition the insurer should provide a description of how it manages the liquidity risk arising from insurance liabilities.

Respondents' comments

Respondents largely agreed in general with the proposal. Nevertheless, respondents stated that because the measurement model proposed for insurance contracts is based on expected values, it would be more logical and consistent to provide the maturity analysis on expected maturities only.

Our response

We agree with the respondents that the maturity analysis based on expected maturities would be logically consistent with the measurement approach of the recognised insurance liabilities. Also, for many insurance contracts, the notion of contractual maturity is somewhat unclear. We also agree with the view of some respondents that the information would be readily available because it is used for measurement of insurance liabilities.

We decided that the maturity analysis for insurance liabilities should be disclosed on a consistent and comparable basis across different insurers. Therefore, we removed the option to disclose the maturity analysis based on remaining contractual maturities.

Furthermore, we decided to align the time bands with those in other projects. The insurer should disclose a maturity analysis based on expected maturities (expected net undiscounted cash outflows resulting from recognised insurance liabilities) and disclose, at a minimum, the expected maturities on an annual basis for the first five years and in aggregate for maturities beyond five years.

Working draft

A working draft of the wording for the standard is as follows (changes from the ED are marked). This draft has been prepared by IASB staff and has not been reviewed by the Board. Official pronouncements of the IASB are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.

Standard

Disclosure

- 79 To help users of financial statements understand the amount, timing and uncertainty of future cash flows arising from insurance contracts, an insurer shall disclose qualitative and quantitative information about:
- (a) the amounts recognised in its financial statements arising from insurance contracts (see paragraphs 85–90); and
 - (b) the nature and extent of risks arising from insurance contracts (see paragraphs 91–97).
- 80 If the disclosures required by this [draft] IFRS and other IFRSs do not meet that objective in a particular situation, an insurer shall disclose whatever additional information is necessary to meet that objective.
- 81 An insurer shall consider the level of detail necessary to satisfy the disclosure ~~requirements~~ objectives and how much emphasis to place on each of the various requirements. An insurer shall aggregate or disaggregate information so that useful information is not obscured by either the inclusion of a large amount of insignificant detail or the aggregation of items that have different characteristics.

- 82 An insurer shall provide sufficient information to permit reconciliation to the line items presented in the statement of financial position.
- 83 ~~The disclosures required in this [draft] IFRS shall not aggregate information relating to different reportable segments, as defined in IFRS 8 Operating Segments.~~
- 84 Examples of aggregation levels that might be appropriate are:
- (a) type of contract (eg major product lines).
 - (b) geography (eg country or region).
 - (c) reportable segment, as defined in IFRS 8 Operating Segments.

Explanation of recognised amounts

- 85 An insurer shall disclose information about the amounts recognised in its financial statements in sufficient detail to help users of its financial statements evaluate the timing, amount and uncertainty of future cash flows arising from insurance contracts, including:
- (a) reconciliation from the opening to the closing aggregate contract balances (see paragraphs 86–89)
 - (b) the methods and inputs used to develop the measurements (see paragraph 90).
 - (c) the yield curve (or range of yield curves) used to discount contracts in which the cash flows do not depend on the performance of specified asset.

Reconciliation of contract balances

[The boards have not yet discussed paragraphs 86-89]

- 86 To comply with paragraph 85(a), an insurer shall disclose a reconciliation from the opening to the closing balance of each of the following, if applicable:
- (a) insurance contract liabilities and, separately, insurance contract assets.
 - (b) risk adjustments included in (a).

- (c) residual margins included in (a).
- (d) reinsurance assets arising from reinsurance contracts held by the insurer as cedant.
- (e) risk adjustments included in (d).
- (f) residual margins included in (d).
- (g) impairment losses on reinsurance assets.

87 For each reconciliation required by paragraph 86, an insurer shall show, at a minimum, each of the following, if applicable:

- (a) the carrying amounts at the beginning and end of the period.
- (b) new contracts recognised during the period.
- (c) premiums received.
- (d) payments, with separate disclosure of:
 - a. claims and benefits.
 - b. expenses.
 - c. incremental acquisition costs.
- (e) other cash paid and, separately, other cash received.
- (f) income and expense, reconciled to the amounts disclosed to comply with paragraphs 72 and 75.
- (g) amounts relating to contracts acquired from, or transferred to, other insurers in portfolio transfers or business combinations.
- (h) net exchange differences arising on the translation of foreign currency amounts into the presentation currency.

88 For short-duration contracts measured using the measurement described in paragraphs 54–60, an insurer shall disclose the reconciliation required by paragraph 86 separately for:

- (a) pre-claims liabilities.
- (b) additional liabilities for onerous insurance contracts.

- (c) claims liabilities.

89 For those contracts for which uncertainty about the amount and timing of claims payments is not typically resolved fully within one year, an insurer shall disclose the claims and expenses incurred during the period.

Methods and inputs used to develop the measurements

90 To comply with paragraph 85(b), an insurer shall disclose:

- (a) for the measurements that have the most material effect on the recognised amounts arising from insurance contracts, the methods used and the processes for estimating the inputs to those methods. When practicable, the insurer shall also provide quantitative information about those inputs.
- (b) to the extent not covered in (a), the methods and inputs used to estimate:
 - (i) the risk adjustment. If the insurer uses a technique other than confidence level for determining the risk adjustment, the insurer shall translate the result of that technique into a, including information about the confidence level to which the risk adjustment corresponds. If the insurer uses a conditional tail expectation technique or a cost of capital technique, it shall disclose the confidence level to which the risk adjustment estimated under those methods corresponds (eg that the risk adjustment was estimated at conditional tail expectation (Y) and corresponds to a confidence level of Z per cent).
 - (ii) discount rates.
 - (iii) estimates of policyholder dividends.
- (c) the effect of changes in the methods and inputs used to measure insurance contracts, showing separately the effect of each change that has a material effect on the financial statements, together with an explanation of the reason for the change, identifying the type of contracts affected.

- (d) ~~a measurement uncertainty analysis of the inputs that have a material effect on the measurement. If changing one or more inputs used in the measurement to a different amount that could have reasonably been used in the circumstances would have resulted in a materially higher or lower measurement, the insurer shall disclose the effect of using those different amounts and how it calculated that effect. When preparing a measurement uncertainty analysis, an insurer shall not take into account inputs that are associated with remote scenarios. An insurer shall take into account the effect of correlation between inputs if such correlation is relevant when estimating the effect on the measurement of using those different amounts. For that purpose, materiality shall be judged with respect to profit or loss, and total assets or total liabilities.~~

Nature and extent of risks arising from insurance contracts

91 An insurer shall disclose information about the nature and extent of risks arising from insurance contracts in sufficient detail to help users of financial statements evaluate the amount, timing and uncertainty of future cash flows arising from insurance contracts.

92 To comply with paragraph 91, an insurer shall disclose:

- (a) the exposures to risks and how they arise.
- (b) its objectives, policies and processes for managing risks arising from insurance contracts and the methods used to manage those risks.
- (c) any changes in (a) or (b) from the previous period.
- (d) information about the effect of the regulatory frameworks in which the insurer operates, for example minimum capital requirements or required interest rate guarantees.
- (e) information about insurance risk on a gross and net basis, before and after risk mitigation (eg by reinsurance) including information about:
 - (i) the sensitivity to insurance risk in relation to its effect on profit or loss and equity. This shall be disclosed by a sensitivity analysis that shows any material effect on profit or loss and equity that would have resulted from:

- (A) changes in the relevant risk variable that were reasonably possible at the end of the reporting period;
- (B) the methods and inputs used in preparing the sensitivity analysis; and
- (C) any changes from the previous period in the methods and inputs used.

However, if an insurer uses an alternative method to manage sensitivity to market conditions, such as embedded value or value at risk, it can meet this requirement by disclosing that alternative sensitivity analysis.

- (ii) concentrations of insurance risk, including a description of how management determines concentrations and a description of the shared characteristic that identifies each concentration (eg type of insured event, geographical area or currency). Concentrations of insurance risk can arise if an insurer has, for example:

- (A) underwritten risks concentrated in one geographical area or one industry.
- (B) underwritten risks that are also present in its investment portfolio, for example if an insurer provides product liability protection to pharmaceutical companies and also holds investments in those companies.

- (iii) actual claims compared with previous estimates of the undiscounted amount of the claims (ie claims development). The disclosure about claims development shall go back to the period when the earliest material claim arose for which there is uncertainty about the amount and timing of the claims payments, but need not go back more than ten years. An insurer need not disclose information about the development of claims for which uncertainty about the amount and timing of claims payments is typically resolved within one year. An insurer shall reconcile the disclosure about claims development with the carrying amount of the insurance contract liabilities recognised in the statement of financial position.

- 93 For each type of risk, other than insurance risk, arising from insurance contracts, an insurer shall disclose:
- (a) summary quantitative information about its exposure to that risk at the end of the reporting period. This disclosure shall be based on the information provided internally to the key management personnel of the insurer and shall provide information about the risk management techniques and methodologies applied by the insurer.
 - (b) concentrations of risk if not apparent from other disclosures. Such concentrations can arise from, for example, interest rate guarantees that come into effect at the same level for an entire book of business.
- 94 With regard to credit risk arising from reinsurance contracts and, if applicable, other insurance contracts, an insurer shall disclose:
- (a) the amount that best represents its maximum exposure to credit risk at the end of the reporting period.
 - (b) information about the credit quality of reinsurance assets.
- 95 With regard to liquidity risk, an insurer shall disclose:
- (a) ~~either a maturity analysis that shows, at a minimum, the remaining contractual maturities or information about the estimated timing of the net cash outflows resulting from recognised insurance liabilities for each of the first five years after the reporting date and in aggregate beyond five years.~~ This may take the form of an analysis, by estimated timing, of the amounts recognised in the statement of financial position.
 - (b) a description of how it manages the liquidity risk resulting from its insurance liabilities.
- 96 With regard to market risk (as defined in IFRS 7) an insurer shall disclose:
- (a) a sensitivity analysis for each type of market risk to which the insurer is exposed at the end of the reporting period, showing how profit or loss and equity would have been affected by changes in the relevant risk variable that were reasonably possible at that date; if an insurer uses an alternative method to manage sensitivity to market conditions, such as an embedded value analysis, or a sensitivity analysis, such as value at risk, that reflects interdependencies between risk variables and uses it to manage *financial risks*, it may use that sensitivity analysis to meet this requirement.
- (b) an explanation of the methods and main inputs used in preparing the sensitivity analysis.
 - (c) an explanation of the objective of the methods used and of limitations that may result in the information not fully reflecting the carrying amount of the insurance contracts involved.
 - (d) changes from the previous period in the methods and inputs used and the reasons for such changes.
 - (e) information about exposures to market risk arising from embedded derivatives contained in a host insurance contract, including information about the levels at which these exposures begin to have a material effect on the insurers cash flows.
- 97 If the quantitative information about the insurer's exposure to risk at the end of the reporting period is not representative of its exposure to risk during the period, it shall disclose that fact, the reasons for those conclusions and shall provide further information that is representative of the exposure during the period.

Illustrative examples

In the pages that follow, we illustrate key disclosure requirements.

These examples have been prepared for illustrative purposes only. The disclosures that insurers actually provide when applying the requirements might differ from the examples shown here.

Reconciliation of contract balances

Proposed requirement

An insurer shall disclose a reconciliation from the opening to the closing balance for insurance contract balances, with minimum items included in that reconciliation.

Comment

This information would provide information about changes in the amounts recognised in the balance sheet and link those changes to the results for that year.

Example:

Insurance contract assets	(XXX)
Insurance contract liabilities	XXX
Total insurance liability at the beginning of period	XXX
New contracts recognised	XXX
Premiums received	XXX
Claims and benefits paid	(XXX)
Acquisition cost paid	(XXX)
Expenses paid	(XXX)
Other cash paid	
Income and expense:*	
Experience adjustments	(XXX)
Assumption changes	XXX
Change in discount rates	XXX
Interest accretion	XXX
Amounts related to portfolio transfers or business combinations	
Foreign currency translation adjustments	
Total insurance liability at the end of period	XXX
Insurance contract assets	(XXX)
Insurance contract liabilities	XXX

IASB: Risk adjustment	IASB: Residual margin
XXX	XXX
XXX	XXX
(XXX)	(XXX)
XXX	XXX
XXX	XXX
XXX	XXX
XXX	XXX

* These components will depend on the boards' discussion about presentation in the income statement

Inputs and methods – effect of changes from prior period

Proposed requirement

Insurers shall disclose the methods used and how they estimated the inputs to those methods for the measurements that have the most material effect on the insurance contract liability.

They would disclose separately the effect of each change in inputs and methods, and provide an explanation of the reason for the change, including the types of contract affected.

Comment

Because the measurement for insurance contracts is a current measure of items that may be difficult to measure, the transparency of both the inputs and methods used and the impact of changes in inputs and methods from the prior period is important.

Some also believe that this information is necessary to address concerns that insurers might change their methods arbitrarily.

Example:

Change in inputs during 20X1

Long-term insurance business

Interest rates ¹⁾

Expenses ²⁾

Persistency rates ³⁾

Total

1) ...

2) ...

3) ...

Change in method

Determine risk adjustment

Insurance product X ¹⁾

...

1) ...

Effect on income for the period ended 12/31/20X1	Effect on liability for the period ended 12/31/20X1
--------------------------------------------------------	-----------------------------------------------------------

XXX

XXX

XXX

XXX

XXX

XXX

XXX

XXX

Effect on income for the period ended 12/31/20X1	Effect on liability for the period ended 12/31/20X1
--------------------------------------------------------	-----------------------------------------------------------

XXX

XXX

Inputs and methods – yield curve***Proposed requirement***

For contracts in which the cash flows do not depend on the performance of specified assets (ie non-participating contracts), insurers must disclose the yield curve (or range of yield curves) used in the measurement.

Comment

This information should improve transparency and comparability about the discount rates that insurers use in their measurements. It is necessary because of the discretion permitted in determining the discount rate.

Example:

Time Period	Interest rate		
	USD	GBP	EUR
1	1.55	1.98	2.01
2	3.12	3.55	2.44
3	3.51	3.82	3.18
4	3.64	4.26	3.25
5	4.18	4.38	3.78
6	4.25	4.58	3.88
7	4.05	4.05	4.55
8	3.75	4.05	3.95

Inputs and methods – quantitative inputs

Proposed requirement

For measurements that are the most material, an insurer must disclose the methods used and the processes for estimating the inputs. If practicable, the insurer also would provide the quantitative information about the significant inputs used.

Comment

This information allows comparison over time and, to the extent insurers have similar portfolios, across insurers. If different insurers disaggregate the information differently, this might not lead to comparability.

Although not the intention of this disclosure, some preparers are concerned that disclosing this information might allow others to re-create their portfolio.

Example:

	Amount recognised on the balance sheet	Method used	Key inputs	Range (weighted avg.)
Product line 1	XXX	Method 1	Input X	X % – Y % (Z%)
			Input Y	A.X – B.X (C.X)
		Method 2	Input A	X % – Y % (Z%)
			Input B	A.X – B.X (C.X)
		Method 3	Input X	X % – Y % (Z%)
			Input L	A.X – B.X (C.X)
Product line 2	XXX	Method 1	Input X	X % – Y % (Z%)
			Input Y	A.X – B.X (C.X)
		Method 2	Input A	X % – Y % (Z%)
			Input B	A.X – B.X (C.X)
		Method 3	Input X	X % – Y % (Z%)
			Input L	A.X – B.X (C.X)
Total	XXX			

Inputs and methods – risk adjustment

Proposed requirement

If an insurer uses a method other than confidence level for determining the risk adjustment, the insurer shall translate the result of that method into a confidence level. (This is not applicable under a single margin approach.)

Comment

Although the information given by this disclosure is not fully comparable across insurers, it provides a benchmark indication of the relative risk-aversion of the insurer. It also provides some indication of the degree of risk in the portfolio.

Example:

	Risk adjustment included in liability (using conditional tail expectation)	Corresponding confidence level
Product line 1	XXX	XXX %
Product line 2	XXX	XXX %
Product line 3	XXX	XXX %
Total	XXX	

Risk and uncertainty – sensitivity analysis

Proposed requirement

An insurer should disclose:

- a sensitivity analysis for each type of risk to which the insurer is exposed at the end of the reporting period, showing how profit or loss and equity would have been affected by changes in the relevant risk variable that were reasonably possible at that date.
- an explanation of the methods and main inputs used in preparing the sensitivity analysis.
- an explanation of the objective of the methods used and of limitations that may result in the information not fully reflecting the carrying amount of the insurance contracts involved.

Comment

This information would provide information about the potential effects on profit or loss and equity that might result when estimates of inputs change. It captures the effect of changing each input in isolation (unlike the measurement uncertainty analysis proposed in the ED, which would have taken into account inter-relationships between inputs).

Example:

Sensitivity analysis – insurance risk

	Effect on income		Effect on equity	
	20X1	20X2	20X1	20X2
Life insurance				
5% increase in mortality/morbidity	XXX	XXX	XXX	XXX
5% increase in longevity	XXX	XXX	XXX	XXX
10% increase in expenses	XXX	XXX	XXX	XXX
Non-life insurance				
5% increase in frequency	XXX	XXX	XXX	XXX
5% increase in severity	XXX	XXX	XXX	XXX
...				

Sensitivity analysis – market risk

	Effect on income		Effect on equity	
	20X1	20X2	20X1	20X2
Life insurance - 1% increase in interest rates	XXX	XXX	XXX	XXX
Non-life insurance - 1% increase in interest rates	XXX	XXX	XXX	XXX

This example shows the effect on income and equity, but does not illustrate the narrative explanation that would be provided with this information.

Risk and uncertainty – maturity analysis

Proposed requirement

The IASB has tentatively decided that an insurer should disclose a maturity analysis that shows the net cash outflows resulting from its insurance liabilities for each of the first five years after the reporting date and in aggregate beyond five years.

Comment

The boards concluded that a maturity analysis based on expected maturities would be more logically consistent with the measurement approach of the recognised insurance liabilities than using the contractual maturities.

IASB Example:

Expected maturities for recognised insurance liabilities	20X1	20X2
Year 1	XXX	XXX
Year 2	XXX	XXX
Year 3	XXX	XXX
Year 4	XXX	XXX
Year 5	XXX	XXX
Aggregated beyond 5 years	XXX	XXX
Net undiscounted cash flows	XXX	XXX
Effect of discounting	XXX	XXX
Amount recognised on balance sheet	XXX	XXX

Risk and uncertainty – claims development

Proposed requirement

An insurer would disclose the current undiscounted estimate of claims compared with previous undiscounted estimates of claims (ie claims development).

Comment

This gives information about how well management has estimated claims in the past.

Example:

Accident year	20X1	20X2	20X3	20X4	...	20X10	Total
Estimate of claims							
<i>end of reporting period</i>	XXX	XXX	XXX	XXX	...	XXX	XXX
<i>one year later</i>	XXX	XXX	XXX	XXX			
<i>two years later</i>	XXX	XXX	XXX	XXX			
<i>three years later</i>	XXX	XXX	XXX				
...	...						
<i>ten years later</i>	XXX						
Current estimate of claims	XXX	XXX	XXX	XXX	...	XXX	XXX
Cumulative payments	(XXX)	(XXX)	(XXX)	(XXX)	...	(XXX)	(XXX)
Current estimate of claims to be paid	XXX	XXX	XXX	XXX	...	XXX	XXX
Effect of time value of money	(XXX)	(XXX)	(XXX)	(XXX)	...	(XXX)	(XXX)
Risk adjustment	XXX	XXX	XXX	XXX	...	XXX	XXX
Recognised liability	XXX	XXX	XXX	XXX	...	XXX	XXX